
REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CARSON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**



GENERAL FUND

The General Fund accounts for all financial resources that are not restricted as to their use or required to be accounted for in another fund. These resources include sales and use tax, franchise taxes, business license fees, building permits, interest on investments, fines and forfeitures, charges for services, and other miscellaneous revenues.

General Fund resources are used to finance the general governmental operations of the City of Carson. The city workgroups that are listed below are supported by the General Fund. The list likewise shows the services that each workgroup provides.

City Council

Local legislative policy

City Attorney

Legal advisor to City Council
and departments
Preparations of resolutions and
ordinances
Contract review
Litigation

City Clerk

Records management
Preparation of agendas and minutes
Codification of municipal code
Elections

City Treasurer

Investments
Cash management
Cashiering

Community Development

Employment development
Business development
Successor Agency
Housing Authority
Housing and neighborhood development
Planning
Building and safety

Administrative Services

Revenue collection
Business license
Budget preparation
Financial reporting
Grants accounting
Accounts payable
Payroll
Purchasing
Reproduction and mail services
Warehouse operations
Information technology

Community Services

Parks and recreation
Special events
Sherriff's contract
Code enforcement and compliance
Security services
Youth services
Safety and emergency services
Pedestrian safety
Senior services
Fine Arts
Transportation
Community center

City Manager

Implementation of City Council policies
Intergovernmental relations
Public information
Human resources
Recruitment/training
Worker's compensation
Risk assessment and management

Public Works

General engineering
Contract administration
Construction engineering
Public works
Street and parkway maintenance
Vehicle and equipment maintenance
Median and tree maintenance
Waste management
Environmental
Building and landscape maintenance

Non-Departmental

Retiree health insurance
Program support

**City of Carson
GENERAL FUND
Schedule of Revenues –Budget and Actual
Year ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Taxes				
Sales and use tax	\$ 19,900,000	\$ 19,900,000	\$ 25,187,734	\$ 5,287,734
Franchise tax	7,713,650	7,713,650	7,090,887	(622,763)
Property tax allocation from state	16,073,000	16,073,000	15,611,394	(461,606)
Transient occupancy tax	1,275,000	1,275,000	1,462,174	187,174
Utility Users tax	8,125,000	8,125,000	7,495,997	(629,003)
Real property transfer tax	215,000	215,000	728,221	513,221
Admissions tax	345,000	345,000	463,116	118,116
Total taxes	<u>53,646,650</u>	<u>53,646,650</u>	<u>58,039,523</u>	<u>4,392,873</u>
Licenses and permits				
Business licenses	2,500,000	2,500,000	2,628,905	128,905
Building permits	2,325,000	2,325,000	2,379,027	54,027
Other licenses and permits	632,550	632,550	725,267	92,717
Total licenses and permits	<u>5,457,550</u>	<u>5,457,550</u>	<u>5,733,199</u>	<u>275,649</u>
Fines, forfeitures and property:				
Traffic and parking fines	1,325,000	1,325,000	1,576,088	251,088
Other fines, forfeitures and penalties	292,000	292,000	314,213	22,213
Total fines, forfeitures and penalties	<u>1,617,000</u>	<u>1,617,000</u>	<u>1,890,301</u>	<u>273,301</u>
Use of money and property:				
Interest on investments	250,000	250,000	240,027	(9,973)
Rents and commissions	317,750	317,750	398,656	80,906
Community Center revenue	812,500	812,500	622,792	(189,708)
Total use of money and property	<u>1,380,250</u>	<u>1,380,250</u>	<u>1,261,475</u>	<u>(118,775)</u>
Intergovernmental:				
Motor vehicle licenses	250,000	250,000	50,405	(199,595)
Other intergovernmental	272,036	277,036	67,635	(209,401)
Total intergovernmental	<u>522,036</u>	<u>527,036</u>	<u>118,040</u>	<u>(408,996)</u>
Charges for services:				
Planning and public works	402,400	402,400	405,097	2,697
Recreation	1,280,152	1,280,152	1,297,848	17,696
Other service charges	523,900	523,900	420,029	(103,871)
Total charges for services	<u>2,206,452</u>	<u>2,206,452</u>	<u>2,122,974</u>	<u>(83,478)</u>
Other revenues				
	952,500	1,036,260	3,987,743	2,951,483
Total General Fund revenues	<u>\$ 65,782,438</u>	<u>\$ 65,871,198</u>	<u>\$ 73,153,255</u>	<u>\$ 7,282,057</u>

**City of Carson
GENERAL FUND
Schedule of Expenditures – Budget and Actual
Year ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government:				
City Council	\$ 753,875	\$ 781,671	\$ 645,730	\$ 135,941
City Attorney	1,266,000	1,266,000	977,224	288,776
Non Departmental	5,844,837	8,249,563	7,812,068	437,495
City Clerk	898,238	898,238	774,054	124,184
City Treasurer	716,999	716,999	735,548	(18,549)
City Manager	3,315,063	3,351,275	3,201,957	149,318
Administrative Services	6,245,506	6,275,841	5,973,593	302,248
Total General Government	<u>19,040,518</u>	<u>21,539,587</u>	<u>20,120,174</u>	<u>1,419,413</u>
Community Development	1,371,090	1,437,600	3,889,965	(2,452,365)
Public Works	15,696,358	15,991,038	13,211,613	2,779,425
Community Services	29,740,452	30,347,153	29,249,568	1,097,585
Subtotal current expenditures	<u>65,848,418</u>	<u>69,315,378</u>	<u>66,471,320</u>	<u>2,844,058</u>
Capital Improvement Program	508,429	757,488	407,452	350,036
Net General Fund expenditures	<u>\$ 66,356,847</u>	<u>\$ 70,072,866</u>	<u>\$ 66,878,772</u>	<u>\$ 3,194,094</u>

City of Carson
CARSON HOUSING AUTHORITY

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues			
Taxes	\$ -	\$ 2,907,469	2,907,469
Use of money and property	3,020,286	231,595	(2,788,691)
Miscellaneous	<u>603,090</u>	<u>165,915</u>	<u>(437,175)</u>
Total revenues	<u>3,623,376</u>	<u>3,304,979</u>	<u>(318,397)</u>
 Expenditures			
Current:			
Community development	\$ 13,863,121	\$ 17,803,117	\$ (3,939,996)
Total expenditures	<u>13,863,121</u>	<u>17,803,117</u>	<u>(3,939,996)</u>
 Excess (deficiency) of revenues over expenditures	 (10,239,745)	 (14,498,138)	 4,258,393
 Other financing sources			
Transfers in	<u>103,072</u>	<u>-</u>	<u>103,072</u>
 Change in fund balance	<u>(10,136,673)</u>	<u>(14,498,138)</u>	<u>4,361,465</u>
 Fund balances, beginning of year		<u>51,243,880</u>	
 Fund balances, beginning of year		<u>36,745,742</u>	

Defined Benefit Pension Plan - Miscellaneous
(California Public Employees' Retirement System)

Actuarial Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability/ (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/2010	\$ 175,896,151	\$ 133,535,154	\$ 42,360,997	75.9%	\$ 27,107,068	156.3%
6/30/2011	190,199,074	142,496,715	47,702,359	74.9%	25,455,297	187.4%
6/30/2012	198,662,253	150,707,176	47,955,077	75.9%	24,309,612	197.3%

*UAAL refers to unfunded actuarial accrued liability.

Postemployment Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets *	Actuarial Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	(c)/(b-a)
7/1/2009	\$ -	\$ 47,691,008	\$ 47,691,008	0.0%	\$ 27,230,503	175.1%
7/1/2010	-	50,765,291	50,765,291	0.0%	27,107,068	187.3%
7/1/2011	-	48,138,659	48,138,659	0.0%	25,455,297	189.1%

* The City has made a contribution to California Employer's Retiree Benefit Trust (CERBT) of \$3,384,670 during the fiscal year 2011-2012 and \$3,404,726 during the fiscal year 2012-2013.

Budgetary Control and Accounting

The following procedures are utilized by the City in formulating its annual budget:

- Early in the calendar year, the Directors prepare estimates of required appropriations for the following fiscal year. These estimates are compiled into a proposed operating budget.
- The City Manager submits the proposed budget to the City Council for the subsequent fiscal year. The operating budget includes both the sources and types of funds for the proposed expenditures. The City Council and staff meet in budget workshops in order to relate requests with available resources.
- Public hearings are conducted to obtain taxpayer comments on the proposed budget being adopted. Pursuant to provisions of the Carson Municipal Code, the General Fund budget must be adopted no later than July 20 of the new fiscal year. The budget is legally enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revision that alters the total expenditures of any fund must be approved by the City Council. The budget is generally amended during the fiscal year to reflect adjustments, as authorized by the City Council. Expenditures may not legally exceed appropriations at the fund level.
- Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts are recorded during the year as encumbrances in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are treated as a reservation of fund balance since they do not constitute expenditures or liabilities.
- It is the practice of the City to give Finance staff some discretion with respect to budget amounts for year-end purposes.

Budgeted amounts are reported on the same basis of accounting as the fund types they relate to (modified-accrual) and adopted on a basis consistent with generally accepted accounting principles (GAAP). All unexpended appropriations expire at year-end and if warranted are reappropriated in the next budget cycle. Annual budgets are prepared for all governmental fund types expected to have activity during the fiscal year.